



Don Hoch
Director

STATE OF WASHINGTON
WASHINGTON STATE PARKS AND RECREATION COMMISSION

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December 12, 2012

TO: Fort Worden State Park Partners
Affected Washington State Parks Staff

FROM: Larry Fairleigh, Assistant Director

SUBJECT: Discover Pass Requirements at Fort Worden State Park in 2013

The exemption for the Discover Pass requirement on the campus area portion of Fort Worden State Park expires on December 31, 2012. Below please find our intended Discover Pass pathway at Fort Worden State Park beginning January 1, 2013.

FACT - Unless further extended the current Discover Pass exemption for the “campus area” of Fort Worden State Park is scheduled to end on December 31, 2012 after being in effect for 18 months.

PREMISE - Parks is requesting \$27.2 million dollars of General Fund support for the 2013-2015 biennium. Staff believes that it is neither politically or financially viable for Parks to continue the campus area exemption from the Discover Pass at Fort Worden State Park. As a primarily “fee for service” government agency a simple truth is “everything we do that doesn’t pay for itself must be paid for by something else that we do”. It is not practical or logical for other state parks or the General Fund to continue to pay for the value of the campus area exemption at Fort Worden State Park. Staff understands that removal of the exemption may create a financial impact for some current lease holders. In an attempt to assist Fort Worden lease holders with the sudden onset of the Discover Pass in July 2011 the Director approved an exemption from the Discover Pass for the campus area of Fort Worden State Park. Staff believes that action has served to partially deflect the economic impact of the Discover Pass requirement on leaseholders for the past 18 months at Fort Worden and nowhere else in the state park system. As noted above staff believes it is no longer politically or financially possible to maintain the campus area exemption at Fort Worden State Park.

Starting January 1, 2013 - The Discover Pass at Fort Worden State Park will be enforced in the same manner as in all other 116 Washington State Parks. For the non-campus area of Fort Worden this represents no change from current practice. For the campus area of Fort Worden State Park:

1. All leases currently on short term extensions will be immediately negotiated for longer terms based on a discounted fair market value. Until new leases are negotiated, but no later than March 1, 2013, lease holders may purchase Discover Passes for use by their customers. After March 1, 2013 customers will be required to display a valid Discover Pass. Leaseholders and their employees will be exempted from the Discover Pass at their place of business.
2. Leases, and associated lease payment, will include a lease area “footprint” of sufficient size to meet the parking requirements of the customers and employees of the lease holder. This lease payment will be considered payment in lieu of the Discover Pass for lease holder customers and employees.
3. All events held on the campus area of Fort Worden State Park in 2013 will comply with the current Commission adopted policy on the Discover Pass and Events Agenda Item (attached)

Again, Parks staff understands that the Discover Pass requirement may represent an economic impact to leaseholders until the public becomes more acclimated to the notion of Washington State Parks as a primarily “fee for service” government agency. We will be as accommodating as possible to the needs of leaseholders at Fort Worden State Park without placing the rest of the state park system in political or financial jeopardy.



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March 29, 2012

Item E-2: Special Events Concessions and Discover Pass - Requested Action

EXECUTIVE SUMMARY: This agenda item asks the Washington State Parks and Recreation Commission to adopt new policies related to special events and concessions in State Parks in association with requirements for displaying the Discover Pass and/ or one day use permit (here after referred to as Discover Pass). This complies with our Centennial 2013 Plan elements, “Our Commitment – Financial Strategy; Stewardship,” and with our core values.

SIGNIFICANT BACKGROUND INFORMATION: Soon after passage of Chapter 320, Laws of 2011, which established the Discover Pass, staff and the Commission, began receiving inquiries from the public asking how the new access pass would affect planned special events in parks. Additionally, staff was asked by concessionaires operating small businesses in state parks under lease agreements how the requirements associated with the Discover Pass would be applied to their customers.

In June of 2011, the Commission adopted interim policies related to the Discover Pass which, in summary:

- Exempted patrons attending any special event booked prior to June 1, 2011 from the requirement of displaying the Discover Pass.
- Exempted customers at the request of concessionaires operating within a State Park, from the requirement of displaying a Discover Pass until July 1, 2012.
- Directed staff and the Commission to work with stakeholders as needed to develop policy proposals for Commission consideration regarding special events and concessions.

The Discover Pass law together with other existing statutes exempts certain groups and types of activities from the requirement to display the Discover Pass. In summary, these exemptions include:

- **Campers:** The Discover Pass is not required for those persons with a valid camper registration at Washington State Parks for the duration of their camping trip.
- **Volunteers:** Volunteers who perform 24 hours of service on an agency-sanctioned project must be provided a complimentary Discover Pass.
- **Hunting and fishing license-holders:** Access to Department of Fish and Wildlife (DFW) lands is provided for a variety of license holders without a Discover Pass.
- **Annual Natural Investment permit:** Access to state parks without a Discover Pass is allowed for people with an annual Natural Investment permit.

- **Short-term parking:** State parks have identified locations (primarily located at comfort stations) where a Discover Pass will not be required provided the stay in the park is less than 30 minutes.
- **Free days:** The Commission may provide up to twelve days a year where a Discover Pass is not needed to access the state parks.
- **Seasonal Sno-Park permit:** A Discover Pass is not needed to access Sno- Parks on land managed by one of the three agencies between November 1 and March 31, if a person has a seasonal Sno-Park permit.
- **Exempt Vehicles:** Official publicly owned vehicles on official business are exempt from the Discover Pass. This exemption includes school district vehicles.
- **Pass Holders:** The agency has the following pass programs: disabled citizens, disabled veterans, senior citizens with limited income, and foster families. Eligible participants in these pass programs are entitled to “free admission to any state park” under RCW 79.A.05.065.
- **Leases, Easements & Major Concessions:** There are a few concessionaires that are entitled to “exclusive” use of specific areas based on contractual agreements. Within these leased areas, a Discover Pass is not required. The Discover Pass will not be required for those who are accessing a state park for the purpose or terms specified in a lease or easement.
- **Seashore Conservation Area (SCA):** The Discover Pass law applies to all of the state parks, but is not specific to the Seashore Conservation Area (SCA). The Discover Pass will be required for vehicles within the state parks or upland parking areas, but not required for vehicles accessing or driving on the SCA.

The June 2011 agenda item additionally resulted in the adoption of Commission policies associated with the Discover Pass. These policies are attached to this item as Appendix 1. Over the last eight months, staff has met with event sponsors and many concessionaires to discuss options relating to requirements associated with the Discover Pass.

SPECIAL EVENTS: A special event is an organized group event or activity which takes place in a state park. Examples of informal special events include family reunions, company picnics or other group events that do not require special arrangements, reservation of park facilities or the issuance of a special event permit. Formal special events typically require the exclusive use of park areas, buildings or other facilities and accommodations. Formal special events are authorized through written agreements or contracts between the event sponsor and park staff. The most common form of authorization used is the Special Event permit. Events are typically recreation oriented and three days or less in duration. Examples include community festivals, cultural or sporting events, and rallies. Under current practices, special event permits are not issued for periods longer than three consecutive weeks.

Special recreational events are currently authorized pursuant to policy guidelines contained in Washington Administrative Code (WAC) 352-32-047. Originally adopted in 1989, staff considers this WAC to be administratively cumbersome and outdated. The WAC is attached to this item as Appendix 3. This item requests the Commission authorize staff to incorporate policy elements from WAC 352-32-047 into a new Commission Policy as detailed in Appendix 2 and then work to repeal WAC 352-32-047.

There are no Commission authorized exemptions from the requirements associated with the Discover Pass for special events except for those events scheduled prior to June 1, 2011. Staff is proposing three modifications to current policy for Commission consideration which, if approved would be implemented this year.

1. The first modification would allow park staff and the event sponsor to:

- A. Calculate and agree on the estimated size of the special event and specifically agree on the total number of vehicles coming to the event in advance.
- B. Allow the event sponsor to compensate state parks for the agreed to vehicle count in lieu of requiring each event attendee to purchase a Discover Pass. In calculating the amount of total compensation due from the event sponsor, adjustments may be made to reflect the estimated percentage of vehicles already displaying an annual pass and any other administrative efficiency derived by park staff (cost savings to the agency by not having staff issue multiple passes to event participants). In estimating the percentage of event attendee's who already own a Discover Pass, staff will consider the type of event being held. For example, a special event being held by a park "friends-group" would have a higher percentage of vehicles which already own a Discover Pass then a corporate event where the majority of attendee's are coming from out of state. Revenues generated will be considered Discover Pass revenue and shared with our partner agencies at the current 84%-8%-8% ratio.
- C. As needed, authorize and identify locations for "event parking" which would be exempt from the requirement to display the Discover Pass for the duration of the special event provided compensation as detailed above has been paid.

2. The second modification expands on existing Commission policy and allows the Director or designee to adjust agency fees charged for the use of agency facilities as needed to produce net fiscal benefits from the special event. An example would be discounting the price to rent a kitchen shelter for a company picnic with 300 invitees who all purchase a Discover Pass. In this example the kitchen shelter rate is cut in half or as needed in order to "book" the event.

3. The third modification requests that the Commission delegate to the Director or designee authority to modify or waive the Discover Pass as provided through written authorization. Appendix 2 provides additional details on the methods by which modifications or waivers may be obtained by special event sponsors.

CUSTOMERS OF CONCESSIONAIRES: The Commission typically authorizes a park concession through a concession lease. A concession lease differs from a ground lease in that it provides clear public benefit or recreationally related services to park visitors. Examples include

agreements for services such as firewood sales, kayak or bike rentals, park grocery stores, golf courses, and ski areas. Presently, the Commission manages approximately 50 concession agreements throughout the park system.

The Discover Pass law allows the Commission to exempt requirements associated with the Discover Pass through written authorizations. These authorizations typically come in the form of a lease, easement or right-of-entry agreement.

Staff recommends that the Commission adopt policies that allow concessionaires to exempt identified parking stall(s) or parking areas from the requirements associated with the Discover Pass PROVIDED; the concessionaire reimburses State Parks the fair market or contributory value of the parking facility as calculated in the form of annual revenue received pursuant to the Discover Pass. Revenues earned would be deemed earned through the Lease Agreement and not considered Discover Pass revenue. Appendix 2 details the entire policy offered for Commission consideration.

LEGAL AUTHORITY: 2SSB5622 Chapter 320 laws of 2011, RCW 79A.05.070 (6), RCW 79A.05.030, RCW 79A.05.065, RCW 79A.05.075

SUPPORTING INFORMATION:

Appendix 1: June 2011 Commission Policies associated with the Discover Pass

Appendix 2: Proposed new Commission Policy

Appendix 3: Washington Administrative Code (WAC) 352-32-047

REQUESTED ACTION OF COMMISSION:

That the Washington State Parks and Recreation Commission:

1. Adopt proposed new Commission Policy 55-12-1 associated with the requirement to display the Discover Pass for Special Events and Concessions.
2. Direct staff to complete, submit and process the formal requests needed to repeal WAC 352-32-047 as soon as possible.

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Reviewer(s):

Randy Kline, SEPA Review: Following review, staff has determined that the action proposed for the Commission by staff is exempt from the State Environmental Policy Act (SEPA) pursuant to WAC 197-11-800 (19).

Terri Heikkila, Fiscal Impact Review: It is assumed that approval of this agenda item will have a net increase in revenue for the agency.

Jim Schwartz, AAG Review: Approved February 16, 2012

Larry Fairleigh, Assistant Director

Ilene Frisch, Acting Deputy Director _____

Approved for Transmittal to Commission

Don Hoch, Director

APPENDIX 1

(Current Commission policy relating to the Discover Pass)

1. **Legislative intent:** The Commission recognizes that the Legislature has made a fundamental change on how the state parks will be funded, and that it must adopt a “user-pay” model. Staff will need to communicate the importance of reaching funding targets in order to retain services and keep the gates open at all state parks.
2. **Pricing and fees:** The Director may temporarily adjust agency fees and charges for facilities and special activities developed pursuant to the Commission’s authority under RCW 79A.05.070(6), to create consumer incentives that result in additional net revenue to the agency from all sources related to a specific visit. A schedule of fee adjustments should consider agency mission, market demand, bundling of facilities and services, administrative efficiencies from bulk orders of access permits (for those without Discover Passes), and other factors deemed relevant by the Director.
3. **Inter-agency coordination:** The good relationship and coordination between the departments of Natural Resources, Fish and Wildlife, and State Parks staff has been an important factor in the passage of the act into law. The future implementation of the program also hinges on good communications, coordination, and common expectations. Agency staff is expected to maintain good working relationships with counterparts in the partner agencies.
4. **Economic benefit:** Consistent with the legislature's intent for the program, staff should be sensitive to the cost of implementing and managing the program. Efforts should be made to minimize the cost of selling and enforcing the pass, so that program administration does not compromise its objective of funding for core services.
5. **Performance measurement:** Staff will report regularly to the Commission on a set of performance measures, such as: revenue earned, the number of passes sold, call center contacts, and increases to the pass distribution network.
6. **Enforcement:** State Park rangers should have discretion to provide enforcement of the Discover Pass as they determine best, but staff efforts must be balanced with other park needs, the agency’s critical funding situation, and coordinated with the enforcement at the departments of Natural Resources and Fish & Wildlife.
7. **Communications and marketing:** With the Departments of Natural Resources and Fish & Wildlife place an emphasis on good communications with staff, the public, and elected officials that will lead to a smooth implementation and increased sales of the Discover Pass.
8. **Partnerships:** Engage community groups and other partners in the success of the Discover Pass by exploring the potential for community groups to sell the Discover Pass.

9. **Volunteers:** In recognition of the Legislature's desire to encourage volunteerism in the state parks, and the current financial crisis, it will be important to engage volunteers and develop a list of eligible volunteer projects that will engage communities and provide enhanced visitor services.

APPENDIX 2
Proposed Commission Policy Special Events & Concessionaires:
Requirements Relating to Displaying the Discover Pass

I. DEFINITIONS:

- A. **Special Event** – An organized group event or activity which initiates, occurs or concludes within a state park through the written authorization of State Parks staff. Events are typically recreation oriented and three days or less in duration. Special event permits may not be issued for periods longer than three consecutive weeks.
- B. **Concession** – any contractual agreement (*e.g.*, lease, franchise, permit, etc.) granted by the Commission for the purpose of providing public accommodations, facilities and/or services on parkland.
- C. **Concessionaire** – the contractor, franchisee, or permittee who provides public accommodations, facilities and/or services on parkland pursuant to a concession agreement.

II. SPECIAL EVENT PERMIT:

- A. Persons or organizations that desire to conduct a special event in a state park shall submit a permit application obtainable at any state park together with the permit application fee as published by State Parks.
- B. If the agency determines it is necessary, the applicant must submit a completed environmental checklist along with the application. Upon request, the agency may assist the applicant in completing the environmental checklist and may request compensation in accordance with agency adopted fee schedules.
- C. Special events which require closure of an entire park property may only be authorized by the Director or designee. Special events may authorize the temporary closure of a specified area to other recreational activities, including motor vehicle traffic, which are determined to have the potential to interfere with the event or which could risk the safety of the recreating public or the special event participants. However, no such permit may result in the unreasonable exclusion of recreationists from the remainder of the park.
- D. The permittee must pay any fees published by State Parks for the use of park lands or facilities. The Director or designee shall determine the need for any fees necessary to cover costs incurred by the agency for additional staffing, equipment, facilities, or special

services not normally provided by State Parks, as well as the need for any bond, damage deposit, or liability insurance arising from any potential hazards associated with the event. Any such fees, bond, damage deposit, or liability insurance shall be provided by the applicant prior to the issuance of the permit.

- E. Special event permits may not be issued for periods in excess of three consecutive weeks. Any event or use of park property with a use term in excess of three consecutive weeks requires authorization through issuance of a right of entry permit or other type of lease agreement.
- F. Vehicles used to participate in or attend special events are required to display the Discover Pass or One-Day Pass.
- G. The Director or designee may modify or waive requirements associated with the requirements to display the Discover Pass or One-Day Pass only through written authorization in the form of a Special Event Permit as needed to:
 - 1) Allow a special event sponsor or organizer to pre-pay the agreed to price associated with the estimated Discover Pass revenues to be derived from event attendees.
 - 2) Designate pre-paid parking areas associated with the special event as exempt from the requirement to display the Discover Pass.

All other modifications or waiver requests received from event sponsors shall be evaluated and processed pursuant to those procedures detailed in the Land Authorization and Documentation System (LANDS) Manual, Volume I. (3)(C)(Permits).

- H. The Director or designee may discount or waive the fees associated with reserving or utilizing state park facilities or other accommodations including but not limited to shelters, overnight accommodations, lodges, halls, environmental learning centers and other meeting or conference facilities when the facility discount or waiver is deemed to be in the best economic interest of the Commission. If a discount or waiver is granted, the written authorization permit must document the fiscal benefits derived from the action.

III. CONCESSIONS:

- A. Concessionaires and their employees are exempt from the requirement to display the Discover Pass pursuant to the terms, conditions and lease area exhibit detailed in the concession lease on file.
- B. The Director or designee may provide concessionaires with accommodations in complying with provisions related to requirements in displaying the Discover Pass for customers of concessionaires who are engaged in business activities with the concessionaire on state park property leased to the concessionaire. Any accommodation provided to the concessionaire shall be through written authorization executed by the Concessionaire and the Commission.

APPENDIX 3

WAC 352-32-047 – SPECIAL RECREATION EVENT PERMIT

Any person or group, hereinafter referred to as the "applicant," desiring to make use of a portion of a state park for a special recreation event which will require special planning, facilities, staffing, or environmental protection measures, or the closure of the area to, or restriction of, established recreational uses, shall apply for a special recreation event permit. The Director or designee may consult with the appropriate local government in reviewing the application and may issue a permit subject to conditions established by the agency. Such conditions may include but not be limited to the closure of the specified area to other recreational activities, including motor vehicle traffic, which are determined to have the potential to interfere with the event or which could risk the safety of the recreating public or the special event participants. However, no such permit may result in the unreasonable exclusion of recreationists from the remainder of the park. All events authorized under this permit shall be open to public participation and/or observation.

A Special Recreation Event permit shall be issued only for recreational events where there is a reasonable expectation that a minimum of twenty persons will participate. The event must be oriented towards a recreational pursuit. Not more than three permits will be issued to a given applicant for a similar event at the same park during a one-year period.

Persons or organizations that desire to conduct a special recreation event in a state park shall submit a permit application obtainable at any state park and the basic permit application fee as published by State Parks to the park where the event is proposed to take place.

If the agency determines it is necessary, the applicant must submit a completed environmental checklist along with the application. Upon request, the agency may assist the applicant in completing the environmental checklist and may request compensation in accordance with agency State Environmental Policy Act (SEPA) rules, chapter [352-11](#) WAC.

Permit applications must be submitted at least sixty days in advance of the proposed event so that the information supplied in the application may be verified and so that the agency can notify and coordinate action with officials of other jurisdictions and agencies responsible for public health, safety and welfare. The sixty-day time limit is also necessary to comply with SEPA review requirements to identify any potential environmental impacts and mitigation. This requirement for an application to be filed sixty days prior to an event may be waived in rare circumstances where arrangements can be made in a shorter time while still complying with all other requirements of this section.

Such application shall be submitted at least sixty days in advance of the proposed date of the event, to allow, where applicable, for necessary internal review and analysis, consultation with local governments, public notice, establishment of permit conditions, and required agency preparations and coordination. The director or designee shall approve or disapprove a permit application and establish the conditions for an approved application. The permittee must pay any fees published by State Parks for the use of park lands or facilities. The Director or designee

shall determine the need for any fees necessary to cover costs incurred by the agency for additional staffing, equipment, facilities, or special services not normally provided by state parks, as well as the need for any bond, damage deposit, or liability insurance arising from any potential hazards associated with the conduct of the event. Any such fees, bond, damage deposit, or liability insurance shall be provided by the applicant prior to the issuance of the permit.

If additional unanticipated costs are incurred by the commission resulting from the event, the applicant shall reimburse the Commission for such costs in a timely manner. If the additional costs are not paid, the director may recover such costs from the bond or damage deposits provided. Any funds remaining from the bond or damage deposit shall be returned to the applicant.